

(2) if the fund is ~~five~~ ten million dollars ~~(\$5,000,000)~~ (\$10,000,000) or over ~~to fifteen million dollars (\$15,000,000)~~, it may be invested as funds of class A counties are invested. ~~and~~

Synopsis of Original Bill

Senate Bill 40 amends NMSA 1978, § 6-6-19, which pertains to creation and investment of local government permanent funds.

Significant Issues

This bill amends investment authority language in NMSA 1978, § 6-6-19 (D) - specifying how local government permanent funds may be invested:

- If the fund is less than \$5 million, it shall be invested as other funds of the local government;
- If the fund is \$5 million to \$15 million, it may be invested as funds of Class A Counties are invested; and
- If the fund is \$15 million or more, it may be invested as funds of the state treasurer are invested.

According to the Department of Finance and Administration (DFA), the intent of this bill is to better safeguard local government permanent funds.

FISCAL IMPLICATIONS

Limitation of investment options may impact overall investment returns for local government permanent funds.

RLG/sb/njw